WESTMOUNT ENERGY LIMITED

Interim Report

For the six months ended

31 December 2022

COMPANY INFORMATION

Directors	G Walsh (Chairman) D R King T P O'Gorman D Corcoran
Secretary and Registered Office	Stonehage Fleming Corporate Services Limited No 2, The Forum, Grenville Street St Helier Jersey JE1 4HH Channel Islands
Nominated Advisor and Broker	Cenkos Securities Plc 6-8, Tokenhouse Yard London EC2R 7AS
Legal Advisers	Maples and Calder (Jersey) LLP Sir Walter Raleigh House 48 -50, Esplanade St Helier JE2 3QB Jersey Channel Islands Forsters LLP 31 Hill Street London W1J 5LS
Auditor	Moore Stephens Audit & Assurance (Jersey) Limited 1 Waverley Place Union Street, St Helier Jersey JE4 8SG Channel Islands
Bankers	The Royal Bank of Scotland International Limited 71, Bath Street, St Helier Jersey JE2 8PJ Channel Islands
Registrar	Link Market Services (Jersey) Limited 12, Castle Street St Helier Jersey JE2 3RT Channel Islands
Custodian	Canaccord Genuity Wealth Management 41 Lothbury London EC2R 7AE

WESTMOUNT ENERGY LTD

CHAIRMAN'S REVIEW

2022 Highlights

- **Cash balance of £0.86M at Period End, 31 December 2022; no debt**
- **Post Period End CEC's Return of Capital Transaction yields additional USD $356k cash**
- **Canje and Kaieteur JV partners continue to work towards identification of optimal targets and environmental permitting, with drilling decisions anticipated from H2 2023**
- **Sector consolidation manoeuvres – subject to certain conditions, proposed 'all paper' acquisition by JHI Associates Inc. of 100% interest in Production Licence PL001 in the North Falkland Basin from Argos Resources Ltd.**

The transformation of Guyana has continued apace during this interim period, with real GDP growth of 62.3% in 2022 and IMF projected growth of 25.2% in 2023 making it one of the fastest growing economies in the world. The influx of foreign direct investment is mainly flowing to the oil and gas sector which is currently dominated by an inventory of upstream development projects on the Stabroek Block operated by ExxonMobil, with Hess Corporation and CNOOC as partners. Guyana is now established as a significant oil producing nation with rapidly progressing offshore developments, including the expected installation of at least 6 Floating Production Storage and Offloading (FPSO) units on the Stabroek Block by end 2027 (with a production capacity of more than 1 million BOPD) and the potential for up to 10 FPSOs based upon the current discovered resource inventory of in excess of 11 billion barrels of oil equivalent.[1,2,3]

In parallel with the development of the already discovered resource offshore Guyana, the multi-billion barrels undiscovered upside in the basin continues to attract aggressive exploration investment, driven by large prospects, low breakeven costs, low carbon emissions and the energy transition dynamics. It is anticipated that Guyana's total recoverable oil deposits will increase as exploration activities expand to deeper plays and other offshore blocks, which remain underexplored. The Stabroek Block partners reported a total of nine significant discoveries during 2022 (Fangtooth-1, Lau Lau-1, Patwa-1, Lukanani-1, Barreleye-1, Seabob-1, Kiru Kiru-1, Yarrow-1 and Sailfin-1) bringing the total number of discoveries to date, on the Stabroek block to thirty.[4] The positive outcome at Fangtooth-1 is of particular significance as this was the first well dedicated to a deep exploration target in the Stabroek area, with the results indicating the potential for commercial exploitation of the deeper plays and offering encouragement for the drilling of deep targets elsewhere in the basin, including on the Kaieteur and Canje Blocks. The potential for a significant deep discovery at Fangtooth was confirmed in January 2023 when the Stabroek partners reported that 61 metres of oil-bearing sandstone reservoirs had been encountered at Fangtooth SE-1, which was drilled circa 13 kms to the southeast of the original Fangtooth-1 discovery.

Outside of Stabroek, in May 2022, the Joint Venture of CGX Energy Inc. and Frontera Energy Corporation announced a discovery at Kawa-1 in the north of the Corentyne Block. Logging of this well indicated 69 metres of net hydrocarbon pay across multiple Upper Cretaceous reservoirs. Reservoir fluids are uncertain as MDT fluid samples were not obtained from the well, though third-party analyses indicated the presence of light oil in the deeper Santonian and Coniacian reservoirs, and gas condensate in the shallower Maastrichtian and Campanian, consistent with neighbouring discoveries on the Stabroek block and in Block 58, Suriname.[5] Kawa-1 was plugged and abandoned and the commercial potential of the discovery has yet to be determined. After realignment of stakeholder interests on the Corentyne Block a follow-up joint exploration/appraisal effort, Wei-1, was spudded on 20 January 2023, targeting stacked Campanian and Santonian channel sandstone reservoirs and is currently drilling ahead.

CHAIRMAN'S REVIEW *(continued)*

Separately, in December 2022, the Guyanese government launched a Licensing Round for 14 offshore blocks (3 deepwater and 11 shallow water blocks) under revised fiscal and contractual terms including biddable signature bonus with a minimum threshold of USD $20M and $10M for deepwater and shallow water blocks, respectively. In parallel, the government has indicated that some other blocks, ex Licensing Round, have been set aside with a view to exploration and development of these blocks via strategic direct government-to-government partnerships.

In the Surinamese sector mixed results have been reported during this period. The Total/Apache consortium increased its discovery count from 4 to 6 with the announcement of the Krabdagu-1 (Block 58) and Baja-1 (Block 53) discoveries in February and August 2022, respectively, although non-commercial outcomes were reported at Rasper-1, Dikkop-1 and Awari-1[6]. In contrast, significant light oil flow test results were achieved from Campanian reservoirs in appraisal wells at Sapakara South-1, Sapakara South-2 and Krabdagu-1 during this period. Prior stacked reservoir discoveries on Block 58 reported generally light oil and gas-condensate pay in shallower Maastrichtian-Campanian reservoirs overlying light oil pay in deeper Santonian reservoirs – pointing towards some potential challenges around valorization of large associated gas volumes. Overall mixed exploration and appraisal drilling results experienced by the consortium to date is spotlighting a renewed focus on proving up sufficient oil volumes in the shallower, Campanian, Sapakara and Krabdagu discoveries while targeting a mid-2023 FID with respect to the first oil development on Block 58.

Exploration drilling results continue to support the presence of multiple plays, quality reservoirs and the potential for stacked-pay drilling opportunities within the basin. Although the Upper Cretaceous Maastrichtian-Campanian Liza play dominates in terms of number of discoveries and discovered volumes to date, the deeper Santonian pools on Block 58, in conjunction with the deeper hydrocarbons reported at Liza-3, Tripletail-1, Yellowtail-2, Uaru-2, Turbot-2, Longtail-3, Hassa-1, Fangtooth-1 and Fangtooth SE-1 on the Stabroek Block, together with the hydrocarbon shows reported at Sapote-1 on the Canje Block, and the logged net pay in the Santonian-Coniacian intervals at Kawa-1 on the Corentyne Block, all suggest an extensive emerging deeper play fairway within the basin. Offshore Suriname, oil pay was also reported from the Zanderij-1 (Shell, Block 42) where the operator was targeting the Santonian and deeper intervals, with well results currently under evaluation.[7] Additional deep drilling with multiple targets is scheduled or ongoing at Wei-1 (CGX Energy Inc., Corentyne Block) and at Kokwari-1, Tarpon Fish-1, Basher-1 and Lancetfish-1 (ExxonMobil, Stabroek Block).

It is against this backdrop that the hydrocarbon plays and prospect inventories on the Kaieteur, Canje and Orinduik blocks are being reassessed – with a view to the identification of optimal targets for the next phase of drilling, while progressing the ongoing environmental permitting processes.

Kaieteur Block

The first well on the Kaieteur block, Tanager-1, remains the deepest well drilled in the Guyana-Suriname Basin to date. It was spudded on 11 August 2020, using the Stena Carron drillship. The well was drilled in a water depth of 2,900 metres and reached a total depth of 7,633 metres circa mid-November 2020. Evaluation of LWD, wireline logging and sampling data confirmed 16 metres of net oil pay (20ºAPI oil) in high-quality sandstone reservoirs of Maastrichtian age. Although high quality reservoirs were also encountered at the deeper Santonian and Turonian intervals, initial interpretation of the reservoir fluids was reported to be equivocal, requiring further analysis – results of which have yet to be disclosed. Post well analysis and integration of the data collected continues with a view to high-grading the next drilling target on the Kaieteur block.

A post-well Netherland, Sewell & Associates Inc. ("NSAI") published CPR (14 February 2021) indicates that the Tanager-1 Maastrichtian discovery contains a 'Best Estimate' Unrisked Gross (2C) Contingent Oil Resource of 65.3 MMBBLs (Low to High Estimates 17.7 MMBBLs to 131 MMBBLs) – with a 'Best Estimate' Unrisked Net (2C) Contingent Oil Resource attributable to the Kaieteur Block of 42.7 MMBBLs (Low to High Estimates 11.3 MMBBLs to 86 MMBBLs). However, this discovery is currently considered to be non-commercial as a standalone development.

CHAIRMAN'S REVIEW *(continued)*

Subsequent to the Tanager-1 discovery, on 24 May 2021, it was announced that Hess Corporation ("Hess") had increased its working interest ("WI") in the Kaieteur Block, offshore Guyana, from 15% to 20% via the farm-down of a 5% WI by Cataleya Energy Limited ("CEL"). Although the details of this farm-in transaction were not disclosed this farm-in, by one of the Stabroek block partners and a leading player in the Guyana-Suriname basin, suggests confidence in the prospective resource potential of the Kaieteur Block and augurs well for the continuing exploration of the area.

On 23 August 2021, it was announced that the date for elective nomination, by the operator, of the prospect target for the 2nd well on the Kaieteur Block has been extended by seven months and on 22 March 2022 a further extension of the nomination date was agreed to 2 October 2023. The Kaieteur Block partners agreed to this extension to facilitate continuing geological and geophysical analysis by the operator and integration of recent and ongoing deep play drilling program results on adjacent blocks into the Kaieteur prospect nomination decision. Under a farm-in agreement executed with ExxonMobil (operator) in 2016, any drilling consequent to the 2nd well prospect nomination decision will commence within nine months of the nomination date. The operator, as farminee, continues to bear all farmor JV expenses during the prospect nomination extension period.

In September 2021, the operator, ExxonMobil, submitted an application for environmental authorization to the Environmental Protection Agency (EPA) to proceed with an up to 12 well exploration campaign on the Kaieteur Block.

Recent media reports[8] suggest that the Stabroek Block operator, ExxonMobil, may be looking for tieback opportunities that might provide additional resources to support the potential development of the Ranger discovery made in 2018 and located circa 100kms to the northwest of the Liza Field. The 2020 Tanager-1 discovery, which straddles the Stabroek/Kaieteur block boundary, and other prospects in the southern part of the Kaieteur Block are well positioned in this regard.

The Kaieteur Block is currently operated by an ExxonMobil subsidiary, Esso Production & Exploration Guyana Limited (35%), with Cataleya Energy Limited ("CEL") (20%), Ratio Guyana Limited ("RGL") (25%) and a subsidiary of Hess Corporation, Hess Guyana (Block B) Exploration Limited (20%) as partners. Westmount retains a holding of approximately 5.3% of the issued share capital of Cataleya Energy Corporation ("CEC") the parent company of CEL and circa 0.04% of the issued share capital of Ratio Petroleum Energy Limited Partnership ("Ratio Petroleum") the ultimate holding entity with respect to RGL.

Canje Block

The first well on the Canje block, Bulletwood-1, was spudded on 31 December 2020 using the Stena Carron drillship and was completed in early March. The well was safely drilled in a water depth of 2,846 metres to its planned target depth of 6,690 meters. The primary target in the well was a Campanian age confined channel complex. The well encountered quality reservoirs but non-commercial hydrocarbons. There has been limited disclosure of the well results to date as detailed analysis of the data collected is ongoing. However, the initial results confirm the presence of the Guyana-Suriname petroleum system and the potential prospectivity of the Canje Block.

Initial drilling operations at the second well on the Canje block, Jabillo-1, commenced on 14 March 2021 using the Stena Carron drillship. Previously published information indicated that Jabillo-1 was targeting a Late Cretaceous, Liza-age equivalent, basin floor fan. After interruption for a brief period of maintenance work on the drillship drilling operations at Jabillo-1 recommenced circa 5 June 2021 and were completed in early July. The well was safely drilled in a water depth of 2,903 metres to its planned target depth of 6,475 meters. The well did not encounter commercial hydrocarbons.

The third well on the Canje block, Sapote-1, was spudded circa 29 August 2021, using the Stena DrillMAX drillship, and reached TD in late October 2021. This well is located in the southeast of the Canje Block, approximately 60kms north of the Campanian and Santonian Maka Central-1 stacked pay discovery. The well was safely drilled in a water depth of 2,549 metres to a total depth of 6,758 meters. It encountered non-commercial hydrocarbons in one of the deeper exploration targets.

CHAIRMAN'S REVIEW *(continued)*

Westmount holds an indirect interest in the Canje Block as a result of its circa 7.2% interest in the issued share capital of JHI Associates Inc. ("JHI"). The company also holds an additional indirect interest in the Canje Block as a result of its shareholding in Eco (Atlantic) Oil and Ltd. (“EOG”) and following the investments in JHI Associates Inc. (“JHI”) announced by EOG on 28 June 2021 and 19 January 2022. Subsequent to the initial EOG transaction and a previous 2018 farm-out to Total, JHI was fully carried/funded for the 2021 three well drilling campaign and is also funded for additional drilling, with a reported USD$19.7M in cash and cash equivalents as of 31 December 2021.[9]

The Canje Block is currently operated by an ExxonMobil subsidiary, Esso Exploration & Production Guyana Limited (35%), with TotalEnergies E&P Guyana B.V. (35%), JHI Associates (BVI) Inc. (17.5%) and Mid-Atlantic Oil & Gas Inc. (12.5%) as partners.

Orinduik Block

Westmount continues to hold an indirect interest in the Orinduik Block as a result of its circa 0.4% interest in the issued share capital of Eco (Atlantic) Oil and Gas Ltd. (“EOG”). Over the last 12 months the focus of the Orinduik Block JV partners has continued to be on the analysis and assimilation of the 2019/20 drilling results and data gathering program, the reprocessing and re-interpretation of the 3D seismic data, and the highgrading of the Cretaceous light oil prospect inventory with a view to target selection for the next drilling campaign on the Orinduik Block. Current guidance indicates plans to drill at least one well into a light oil Cretaceous target in the next 12-18 months[9].

The Orinduik Block is currently operated by Tullow Guyana B.V. (60%), with TOQAP Guyana B.V. (25%) and EOG (15%) as partners. TOQAP Guyana B.V. is jointly owned by TotalEnergies E&P Guyana B.V. (60%) and Qatar Petroleum (40%).

With respect to Westmount’s indirect interest in EOG’s Namibian and South African assets, on 18 November, 2022, it was reported that the Gazania-1 well, on Block 2B in the Orange Basin offshore South Africa, had reached target depth of 2,360m but did not show evidence of commercial hydrocarbons. The well was subsequently plugged and abandoned with further analysis of the Gazania-1 well data, and the existing AJ-1 light oil discovery, being undertaken by EOG to determine next steps on the Block[9].

Investment portfolio summary

As of 31 December 2022, Westmount had a cash balance of £0.86M and is debt free.

Westmount continues to hold a total of 5,651,270 shares in JHI, representing approximately 7.2% of the issued common shares in JHI as of 31 December 2021.

On 15 December, 2022, a proposed transaction was announced between JHI and Argos Resources Ltd. (“Argos”) with JHI to acquire 100% interest in Production Licence PL001 in the North Falkland Basin the sole asset of Argos. As consideration JHI proposes to issue new shares in JHI, which are expected to represent approximately 9.3 percent of the enlarged share capital in JHI following completion of the Transaction, plus a cash payment enabling Argos to settle transaction and corporate expenses[10].

The Transaction remains subject to the satisfactory completion of mutual due diligence and the parties entering into a binding Sale & Purchase Agreement ("SPA"). In the event an SPA is agreed, completion of the Transaction would also be subject to, inter alia, obtaining the necessary approvals from the Falkland Islands Government and Secretary of State to the transfer of Licence PL001 to JHI. Accordingly, there is no certainty that the Transaction will complete on the terms indicated, or at all.

Westmount retains a legacy holding of 1,000,000 shares in Argos, representing approximately 0.4% of the issued common shares in Argos as of 30 June 2022.

CHAIRMAN'S REVIEW *(continued)*

On 9 January 2023, Westmount reported that it had elected to participate in the pro rata Return of Capital Transaction ("ROC Transaction") offered to the shareholders of Cataleya Energy Corporation ("CEC") which reduced the number of outstanding common shares ("Common Shares") in CEC in issue by 16%.

The ROC Transaction was structured such that each Participating Shareholder effectively received, for each Common Share held prior to the transaction that is ultimately cancelled pursuant to the ROC Transaction, an amount equal to approximately USD$3.906 per share. The aggregate amount returned to participating CEC shareholders via the ROC Transaction was approximately USD $6,720,000, with these funds being provided to CEC through the issuance of incremental convertible loan notes to a certain noteholder (the "Noteholder") that previously advanced USD$35,000,000 to CEC in April 2020.

Prior to the ROC Transaction, Westmount held a total of 567,185 Common Shares in CEC, representing approximately 5.28% of the issued common shares in CEC. Post completion of the ROC Transaction, on 6 January 2023, Westmount holds a total of 474,816 Common Shares in CEC, retaining approximately 5.26% of the issued common shares of CEC outstanding post the ROC transaction. Westmount also received a cash return of USD$355,954 (net of expenses).

Westmount continues to hold 1,500,000 shares in EOG, representing approximately 0.4% of the common shares in issue as of 3 March 2023.

Westmount continues to hold 89,653 shares in Ratio Petroleum representing approximately 0.04% of the issued share capital.

The complete investment portfolio is summarised in Table 1.

The reported financial loss for the period is primarily made up of a non-cash loss on financial assets held at fair value through the profit and loss, some of which is as a result of Foreign Exchange movements on the portfolio Investments when valued at the period end.

Westmount Energy Ltd. - Investment Portfolio - 31st December 2022

Guyana - Strategic Corporate Investments			
UnListed - Private Corporations		**Approximate Holding**	**Main Asset**
JHI Associates Inc.	5,651,270 common shares	~7.2% issued shares[1]	17.5% Canje Block
Cataleya Energy Corp.	474,816 common shares[2]	~5.26% issued shares[3]	20% Kaieteur Block
Listed - Public Corporations			
Eco Atlantic Oil & Gas Ltd.	1,500,000 common shares	~0.4% issued shares[4]	15% Orinduik Block
Ratio Petroleum LP	89,653 share units	~0.04% issued shares	25% Kaieteur Block
Non-Guyana - Energy Investments			
Listed - Public Corporations			
Argos Resources Ltd.	1,000,000 common shares	~0.4% issued shares	100% PL001 Falkland. Is.

[1] *Assumes same number of shares in issue as at 31st December 2021;* [2] *Post completion of ROC Transaction on 6th January 2023*

[3] *Assumes same number of shares in issue as at 6th January 2023;* [4] *Assumes same number of shares in issue as at 3rd March 2023*

Table 1

CHAIRMAN'S REVIEW *(continued)*

Summary/Outlook

Westmount's strategy remains one of seeking value creation for shareholders via exposure to high impact drilling outcomes. Westmount is well capitalised with a minimal cost base and investment exposure to the next round of high impact drilling opportunities offshore Guyana. While patience has been required, we anticipate that licence timeframes and relinquishment drivers should help to crystalise some drilling decisions from the second half of 2023. Our primary investee companies CEC, JHI and EOG are currently well funded for participation in near term drilling opportunities offshore Guyana. In some cases, investee portfolio diversification may also offer exposure to additional high impact drilling events, in particular in the emerging Orange Basin, South Africa. Furthermore, the launch of the 2022 Guyana Licensing Round, under less benign fiscal terms, may bring renewed focus on the incumbent junior players and possible consolidation manoeuvres. We believe all is yet to play for.

Gerry Walsh

GERARD WALSH
Chairman
23 March 2023

Notes

[1]*ExxonMobil 2022 Investor Day Presentation*
[2]*Hess 2nd Quarter 2022 Conference Call Remarks*
[3]*Hess 4th Quarter 2022 Conference Call Remarks*
[4]*Hess Goldman Sachs Global Energy and Clean Technology Conference presentation 5 January 2023*
[5]*CGX Energy Inc. News Releases 9 May 2022 and 1 March 2023.*
[6]*APA Corporation News Releases 21 February, 21 June and 23 August 2022.*
[7]*Hess 3rd Quarter 2022 Conference Call Remarks*
[8]*OILNOW – 13 February 2023 - Exxon looking for tiebacks to support potential Ranger development offshore Guyana*
[9]*Eco (Atlantic) Oil & Gas Ltd. News Releases 14 March 2022 and 27 February 2023.*
[10]*Argos Resources Ltd. News Release 15 December 2022*

WESTMOUNT ENERGY LTD

CONDENSED STATEMENT OF COMPREHENSIVE INCOME

FOR THE PERIOD ENDED 31 DECEMBER 2022

	Six months ended 31 December 2022 (unaudited) £	Six months ended 31 December 2021 (unaudited) £	Year ended 30 June 2022 (audited) £
Net loss on financial assets held at fair value through profit or loss	(2,512,900)	(6,895,191)	(7,203,727)
Finance income	2,393	-	133
Administration expenses	(143,932)	(128,466)	(247,627)
FX gain	1,985	4,187	23,971
Share options expense	-	(12,938)	-
Operating loss	(2,652,454)	(7,032,408)	(7,427,250)
Loss before tax	(2,652,454)	(7,032,408)	(7,427,250)
Tax	-	-	-
Comprehensive loss for the period / year	(2,652,454)	(7,032,408)	(7,427,250)
Basic loss per share (pence)	(1.84)	(4.88)	(5.16)
Diluted loss per share (pence)	(1.84)	(4.87)	(5.16)

All results are derived from continuing operations.

The Company had no items of other comprehensive income during the period / year.

WESTMOUNT ENERGY LTD

CONDENSED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2022

	31 December 2022 (unaudited) £	31 December 2021 (unaudited) £	30 June 2022 (audited) £
ASSETS			
Non-current assets			
Financial assets at fair value through profit or loss	4,449,684	7,570,440	7,261,904
	4,449,684	7,570,440	7,261,904
Current assets			
Other receivables	300,562	4,519	10,146
Cash and cash equivalents	864,768	1,094,101	1,003,090
	1,165,330	1,098,620	1,013,236
Total assets	5,615,014	8,669,060	8,275,140
LIABILITIES AND EQUITY			
Current liabilities			
Trade and other payables	45,258	39,070	52,930
	45,258	39,070	52,930
Total liabilities	45,258	39,070	52,930
EQUITY			
Share capital	16,652,482	16,652,482	16,652,482
Share option account	469,670	482,608	469,670
Retained earnings	(11,552,396)	(8,505,100)	(8,899,942)
Total equity	5,569,756	8,629,990	8,222,210
Total liabilities and equity	5,615,014	8,669,060	8,275,140

CONDENSED STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 31 DECEMBER 2022

	Share capital account	Share option account	Retained earnings	Total equity
	£	£	£	£
As at 1 July 2021	16,652,482	469,670	(1,472,692)	15,649,460
Comprehensive Income				
Loss for the year ended 30 June 2022	-	-	(7,427,250)	(7,427,250)
As at 30 June 2022	16,652,482	469,670	(8,899,942)	8,222,210
Comprehensive Income				
Loss for the period ended 31 December 2022	-	-	(2,652,454)	(2,652,454)
As at 31 December 2022	16,652,482	469,670	(11,552,396)	5,569,756

	Share capital account	Share option account	Retained earnings	Total equity
	£	£	£	£
As at 1 July 2020	13,955,623	443,793	(456,473)	13,942,943
Comprehensive Income				
Loss for the year ended 30 June 2021	-	-	(1,016,219)	(1,016,219)
Share issue	2,696,859	-	-	2,696,859
Transactions with owners				
Share options expense	-	25,877	-	25,877
As at 30 June 2021	16,652,482	469,670	(1,472,692)	15,649,460

CONDENSED STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 31 DECEMBER 2022

	Six months ended 31 December 2022 (unaudited) £	Six months ended 31 December 2021 (unaudited) £	Year ended 30 June 2022 (audited) £
Cash flows from operating activities			
Total comprehensive loss for the period / year	(2,652,454)	(7,032,408)	(7,427,250)
Adjustments for:			
Net loss on financial assets at fair value through profit or loss	2,512,900	6,895,191	7,203,727
Share options expense	-	12,938	-
Movement in other receivables	(290,416)	(78)	(5,704)
Movement in trade and other payables	(7,672)	(464)	13,395
Proceeds from sale of investments	299,320	-	-
Net cash out flow from operating activities	(138,322)	(124,821)	(215,832)
Net decrease in cash and cash equivalents	(138,322)	(124,821)	(215,832)
Cash and cash equivalents at the beginning of the period / year	1,003,090	1,218,922	1,218,922
Cash and cash equivalents at the end of the period / year	864,768	1,094,101	1,003,090

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2022

1. Accounting Policies

Basis of accounting

The interim financial statements have been prepared in accordance with the International Accounting Standard ("IAS") 34, Interim Financial Reporting.

The interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended 30 June 2022. The annual financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS").

The same accounting policies and methods of computation are followed in the interim financial statements as in the Company's annual financial statements for the year ended 30 June 2022.

2. Investments

	Six months ended 31 December 2022 (unaudited) £	Six months ended 31 December 2021 (unaudited) £	Year ended 30 June 2022 (audited) £
Argos Resources Limited, at market value	9,900	12,400	17,400
Cost, 1,000,000 shares	310,775	310,775	310,775
(31 December 2021: 1,000,000 shares, 30 June 2022: 1,000,000 shares)			
Cataleya Energy Corporation, at market value	1,973,660	4,204,032	4,670,297
Cost, 474,816 shares	4,218,895	4,518,215	4,518,215
(31 December 2021: 567,185, 30 June 2022: 567,185 shares)			
Eco Atlantic Oil & Gas Oil Limited, at market value	276,750	273,000	384,750
Cost, 1,500,000 shares	240,000	240,000	240,000
(31 December 2021: 1,500,000 shares, 30 June 2022: 1,500,000 shares)			
JHI Associates Inc, at market value	2,182,520	3,072,878	2,182,520
Cost, 5,651,270 shares	7,770,027	7,770,027	7,770,027
31 December 2021: 5,651,270 shares, 30 June 2022: 5,651,270 shares)			
Ratio Petroleum Energy Limited Partnership shares, at market value	6,854	8,130	6,937
Cost, 89,653 shares	22,256	22,256	22,256
(31 December 2021: 89,653 shares, 30 June 2022: 89,653 shares)			
Total market value	4,449,684	7,570,440	7,261,904
Total cost	12,561,953	12,861,273	12,861,273

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2022 (CONTINUED)

2. Investments (continued)

	Six months ended 31 December 2022 (unaudited) £	Six months ended 31 December 2021 (unaudited) £	Year ended 30 June 2022 (audited) £
Total fair value adjustment	(8,112,269)	(5,290,833)	(5,599,369)
Reverse prior year fair value adjustment	5,599,369	(1,604,358)	(1,604,358)
Current period fair value movement	(2,512,900)	(6,895,191)	(7,203,727)
Unrealised loss	(2,512,900)	(6,895,191)	(7,203,727)
Current period income statement impact	(2,512,900)	(6,895,191)	(7,203,727)